

# **CITY COUNCIL AGENDA**

**AUGUST 29, 2017**

## **SYNOPSIS**

CHAPPIE JONES  
SERGIO JIMENEZ  
RAUL PERALEZ  
LAN DIEP  
MAGDALENA CARRASCO  
VICE MAYOR

DISTRICT 1  
DISTRICT 2  
DISTRICT 3  
DISTRICT 4  
DISTRICT 5

SAM LICCARDO MAYOR

DEV DAVIS  
TAM NGUYEN  
SYLVIA ARENAS  
DONALD ROCHA  
JOHNNY KHAMIS

DISTRICT 6  
DISTRICT 7  
DISTRICT 8  
DISTRICT 9  
DISTRICT 10

The San José City Council meets every Tuesday at 1:30 p.m. and Tuesday at 6 p.m. as needed, unless otherwise noted. On May 2, 2017, the City Council authorized combining two sections of the Council agenda, Section 10 – General Plan Amendments and Section 11 – Land Use, into a single section labeled Section 10 – Land Use. Section 10 – Land Use indicates whether an item will be heard at 1:30 p.m. or 6:00 p.m. If you have any questions, please direct them to the City Clerk’s staff seated at the tables just below the dais. Thank you for taking the time to attend today’s meeting. We look forward to seeing you at future meetings.

Agendas, Staff Reports and some associated documents for City Council items may be viewed on the Internet at <http://www.sanjoseca.gov/index.aspx?NID=5322>. Council Meetings are televised live and rebroadcast on Channel 26.

All public records relating to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body will be available for public inspection at the Office of the City Clerk at San José City Hall, 200 E. Santa Clara Street, Tower 14<sup>th</sup> Floor, San José, CA 95113 at the same time that the public records are distributed or made available to the legislative body. Any draft contracts, ordinances and resolutions posted on the Internet site or distributed in advance of the Council meeting may not be the final documents approved by the City Council. Contact the Office of the City Clerk at (408) 535-1260 or [City.Clerk@sanjoseca.gov](mailto:City.Clerk@sanjoseca.gov) for the final document.

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On occasion the City Council may consider agenda items out of order.

- **Call to Order and Roll Call**  
**9:15 a.m.** - Closed Session, Call to Order in Council Chambers  
**Absent Councilmembers: All present.**  
  
**1:32 p.m.** - Regular Session, Council Chambers, City Hall  
**Absent Councilmembers: All present.**
- **Invocation (District 7)**  
**Lokahi Polynesian Dance Group performed a Polynesian dance for the Invocation.**
- **Pledge of Allegiance**  
**Mayor Sam Liccardo led the Pledge of Allegiance.**
- **Orders of the Day – *Heard after Ceremonial Items***  
**The Orders of the Day and the Amended Agenda were approved, with Item 4.3 deferred to November 14, 2017.**

- **Orders of the Day – (Continued)**

*Note: Amended Item 2 on the Joint City of San José Council/Financing Authority Agenda, “Actions Related to the City of San José Financing Authority’s Commercial Paper Program to Finance San José Clean Energy” Requires a determination by a two-thirds (2/3) vote of the members of the Council Present at the Meeting, or, if less than two-thirds (2/3) of the members of the Council are present at the meeting, a unanimous vote of those members present that there is a need to take immediate action. Council’s Rules of Conduct, Resolution No. 78063, Rule 3(d).*

- **Closed Session Report – None provided.**

## **1. CEREMONIAL ITEMS**

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## **2. CONSENT CALENDAR**

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### **2.1 Approval of City Council Minutes.**

**Recommendation:** Approval of City Council Minutes:

- (a) Regular Minutes of February 28, 2017.
- (b) Joint City of San José City Council/Successor Agency to the Redevelopment Agency of the City of San José/Financing Authority Minutes of March 7, 2017.
- (c) Regular Minutes of March 7, 2017.
- (d) Regular Minutes of March 14, 2017.

CEQA: Not a Project, File No. PP10-069, City Organizational & Administrative Activities. (City Clerk)

**Approved.**

### **2.2 Final Adoption of Ordinances.**

**None provided.**

### **2.3 Approval of Council Committee Minutes.**

**None provided.**

### **2.4 Mayor and Council Excused Absence Requests.**

**None provided.**

### **2.5 City Council Travel Reports.**

**None provided.**

## 2. CONSENT CALENDAR

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- 2.6 Report from the Council Liaison to the Retirement Boards.**  
None provided.

- 2.7 Amendment to the Agreement with Landrum & Brown, Inc. for Airport Airspace and Airfield Analysis Services.**

**Recommendation:** Approve a Second Amendment to the Consultant Agreement with Landrum & Brown, Inc. for Airport airspace and airfield analysis services, increasing compensation by \$100,000 to a maximum compensation of \$650,000, with no change to the term of the Agreement. CEQA: Not a Project, File No. PP10-066(d), Agreements & Contracts, Consultant services for design, study, research, inspection, to other professional consulting services to determine the feasibility of a project with no commitment to future action. (Airport)

**Approved.**

- 2.8 Sponsored Travel to Copenhagen, Denmark for the Urban Park Study Tour.**

**Recommendation:** Authorize international travel to participate in a study tour of best practices for urban park and transportation design and activation in Copenhagen, Denmark, from October 7, 2017 through October 11, 2017, for the following delegates to represent the City of San José: Angel Rios, Jr., Director of Parks, Recreation and Neighborhood Services; John Brazil, Associate Transportation Specialist for Department of Transportation; and John Ristow, Deputy Director of Department of Transportation. CEQA: Not a Project, File No. PP10-069(c), City Organizational & Administrative Activities, Travel. (City Manager)

**Authorized.**

- 2.9 Appropriation Ordinance and Funding Sources Resolution Amendments in Various Funds to Rebudget Funds to 2017-2018 for Completion of Projects.**

**Recommendation:**

- (a) Adopt the following 2017-2018 Appropriation Ordinance and Funding Sources Resolution amendments in the Airport Renewal and Replacement Fund:
- (1) Increase the Beginning Fund Balance by \$510,000; and
  - (2) Increase the Airfield Paint Truck appropriation to the Airport Department by \$510,000.

**Ordinance No. 29981 adopted.**

**Resolution No. 78321 adopted.**

*(Item continued on the next page)*

## **2. CONSENT CALENDAR**

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### **2.9 Appropriation Ordinance and Funding Sources Resolution Amendments in Various Funds to Rebudget Funds to 2017-2018 for Completion of Projects. (Cont'd.)**

**Recommendation:**

- (b) Adopt the following 2017-2018 Appropriation Ordinance and Funding Sources Resolution amendments in the Airport Revenue Bond Improvement Fund:
- (1) Increase the Beginning Fund Balance by \$160,000;
  - (2) Increase the Southeast Area Building Demolition appropriation to the Airport Department by \$80,000; and
  - (3) Increase the Southeast Area IT Infrastructure Relocation appropriation to the Airport Department by \$80,000.

**Ordinance No. 29982 adopted.**

**Resolution No. 78322 adopted.**

- (c) Adopt the following 2017-2018 Appropriation Ordinance and Funding Sources Resolution amendments in the Construction Tax and Property Conveyance Tax Fund: Parks Purposes Council District 10:
- (1) Increase the Beginning Fund Balance by \$51,000;
  - (2) Increase the Chris Hotts Park Lighting Improvements appropriation to the Parks, Recreation and Neighborhood Services Department by \$36,000; and
  - (3) Increase the Strategic Capital Replacement and Maintenance Needs appropriation to the Parks, Recreation and Neighborhood Services Department by \$15,000.

**Ordinance No. 29983 adopted.**

**Resolution No. 78323 adopted.**

- (d) Adopt the following 2017-2018 Appropriation Ordinance and Funding Sources Resolution amendments in the Water Utility Capital Fund:
- (1) Increase the Beginning Fund Balance by \$60,000; and
  - (2) Increase the Edenvale Reservoir Rehabilitation appropriation to the Environmental Services Department by \$60,000.

CEQA: Not a Project, File No. PP10-067(b), Non-Project Specific Funding Mechanism, Appropriation Ordinance. (City Manager)

**Ordinance No. 29984 adopted.**

**Resolution No. 78324 adopted.**

### **2.10 Purchase and Sale Agreement with Del Grande Properties for Real Property Located at Almaden Blvd. and Carlyle St. *RENUMBERED***

**Recommendation:** Adopt a resolution:

- (a) Approving the use of a Purchase and Sale Agreement between the City and Del Grande Properties for the sale of the City's 6,708 square feet of vacant surplus land at the corner of Almaden Blvd. and Carlyle St., Assessor's Parcel Number 259-35-029, in the amount of \$1,341,600; and

## 2. CONSENT CALENDAR

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### 2.10 Purchase and Sale Agreement with Del Grande Properties for Real Property Located at Almaden Blvd. and Carlyle St. *RENUMBERED (Cont'd.)*

**Recommendation:** Adopt a resolution:

- (b) Authorizing the City Manager or his designee to negotiate and execute the Purchase and Sale Agreement, the deed, all other documents necessary to complete the transaction, and any amendments or modifications.

CEQA: Not a Project, File No. PP10-066, Agreements & Contracts. Council District 3. (Economic Development)

(Deferred from 6/27/17 – Item 4.1 and 8/8/17 Item 4.1)

**Note: Renumbered to Item 4.5**

### 2.11 Actions Related to the Purchase Order with Iteris, Inc. for Modular Video Detection Systems.

**Recommendation:** Adopt a resolution authorizing the City Manager to:

- (a) Execute a Purchase Order with Iteris, Inc. (Santa Ana, CA) for the purchase of 110 modular video detection systems including hardware, software, and support, for the twelve-month term of August 30, 2017 through August 29 2018, with maximum compensation not-to-exceed \$1,330,000; and
- (b) Exercise up to four additional one-year options to extend the term with the final option year ending on August 29, 2022, to purchase additional Systems and provide ongoing maintenance and support, subject to the appropriation of funds.

CEQA: Not a Project, File No. PP10-066(a), Agreements & Contracts, Purchase Order. (Finance)

**Resolution No. 78325 adopted.**

### 2.12 Report on Request for Proposal for Purchase and Deployment of Adaptive Traffic Control System.

**Recommendation:** Accept the report on the Request for Proposal for the purchase and deployment of an Adaptive Traffic Control System and adopt a resolution authorizing the City Manager to:

- (a) Execute an Agreement with Kimley-Horn and Associates, Inc. (San José, CA) for the purchase and deployment of an adaptive traffic control system at 35 intersections, including software licenses and professional services for project management, design, before-and-after study, implementation, optimization, training, and maintenance and support for an initial six-year term commencing on or about September 1, 2017 and ending on or about August 31, 2023 with maximum compensation amount not-to-exceed \$860,000 for the six-year term, subject to the annual appropriation of funds;
- (b) Negotiate and execute amendments and/or change orders not to exceed \$100,000 for contingency related to implementation and system requirements at the initial 35 intersections, subject to the appropriation of funds;

*(Item Continued on the Next Page)*

## 2. CONSENT CALENDAR

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### 2.12 Report on Request for Proposal for Purchase and Deployment of Adaptive Traffic Control System (Cont'd.)

- (c) Execute one-year options to extend the term of the Agreement for ongoing technical support, maintenance, and related professional services as may be required, subject to the appropriation of funds; and
- (d) Negotiate and execute agreements with Kimley-Horn and Associates, Inc. for the purchase and implementation of adaptive traffic control system at additional intersections during the six-year term subject to substantially the same terms and conditions as may be required based on funding, and the appropriation of funds.

CEQA: Not a Project, File No. PP10-066(a), Agreements & Contracts. (Finance)

**Report accepted.**

**Resolution No. 78326 adopted.**

### 2.13 2017 Smarter Cities Challenge Grant from International Business Machines for Housing Department Housing Initiatives.

**Recommendation:** Adopt a resolution authorizing the Director of Housing, or designee, to accept a 2017 Smarter Cities Challenge grant from International Business Machines (IBM) and conduct all activities, execute and submit all documents, including, but not limited to, applications, agreements, amendments, and payment requests, which may be necessary in connection with these grants. CEQA: Not a Project, File No. PP10-068, General Procedure & Policy Making. (Housing)

**Resolution No. 78327 adopted.**

### 2.14 Amendment to the Agreement with People Assisting the Homeless (PATH) for the Homeless Outreach Program.

**Recommendation:** Approve the Fifth Amendment to the Grant Agreement for San José Homeless Outreach Program between the City of San José and PATH to be retroactively extended from July 1, 2017 to June 30, 2018 and to increase the maximum funding by \$260,000, from \$713,968 to \$973,968. CEQA: Not a Project, File No. PP10-066, Agreements & Contracts. (Housing)

**Approved.**

### 2.15 Actions Related to the Affordable Housing and Sustainable Communities (AHSC) Grant Agreement.

- (a) Adopt a resolution authorizing the City Manager or his designee to:
  - (1) Negotiate, enter, execute, and deliver a State of California Standard Grant Agreement (Grant Agreement) with any commitments necessary to deliver the agreed upon Grant Scope previously authorized by Council and as consistent with the proposed appropriation actions and future funding plan and all other documents required or deemed necessary or appropriate to secure the AHSC Program funds; and

## 2. CONSENT CALENDAR

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### 2.15 Actions Related to the Affordable Housing and Sustainable Communities (AHSC) Grant Agreement (Cont'd.)

- (a) (2) Negotiate and execute an agreement with Charities Housing to allocate responsibilities, liabilities and the disbursement of AHSC funds between the City and Charities Housing.

**Resolution No. 78328 adopted.**

- (b) Adopt the following 2017-2018 Appropriation Ordinance amendments in the Subdivision Park Trust Fund:

- (1) Establish the Coyote Creek Trail (Story Road to Phelan Avenue) appropriation to the Parks, Recreation, and Neighborhood Services Department in the amount of \$193,000; and

- (2) Decrease the Future PDO/PIO Projects Reserve by \$193,000.

CEQA: Addendum to the 2450 Senter Road Residential Project Mitigated Negative Declaration and Addenda thereto, the Coyote Creek Trail Story Road to Phelan Avenue Mitigated Negative Declaration, and the Coyote Creek Trail Master Plan Los Lagos Golf Course to Tully Road Mitigated Negative Declaration, File No. P16-065; Addenda thereto, the Coyote Creek Trail Story Road to Phelan Avenue Mitigated Negative Declaration, File No. PP04-02-057; and Coyote Creek Trail Master Plan (Story-Phelan), Negative Declaration, File No. PP09-218. Council District 7. (Parks, Recreation and Neighborhood Services/Housing/City Manager)

**Ordinance No. 29985 adopted.**

### 2.16 Actions Related to the State of California Department of Fire and Forestry Protection for Urban and Community Forestry Grant “California Climate Investment”.

- (a) Adopt a resolution authorizing the City Manager or Designee to:
  - (1) Execute a grant agreement with the State of California Department of Fire and Forestry Protection (CAL FIRE) based on the previously submitted grant application for an Urban and Community Forestry Grant entitled “California Climate Investments” in the amount not to exceed \$750,000 with a local match not to exceed \$250,000 for the completion of a Community Forest Management Plan and related projects;
  - (2) Certify that the City of San José has funds under the jurisdiction of the City of San José that are available to begin the projects, that the City of San José has or will have sufficient funds to operate and maintain the projects, and that the City of San José will expend grant funds prior to December 31, 2019; and
  - (3) Conduct all negotiations, execute, and submit all documents including, but not limited to, applications, agreements, amendments, payment requests and so on, which may be necessary for the completion of the aforementioned projects.

**Resolution No. 78329 adopted.**

*(Item Continued on the Next Page)*



## 2. CONSENT CALENDAR

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### 2.16 Actions Related to the State of California Department of Fire and Forestry Protection for Urban and Community Forestry Grant “California Climate Investment” (Cont’d.)

**Recommendation:**

- (b) Adopt the following 2017-2018 Funding Source Resolution and Appropriation Ordinance amendments in the Construction Excise Tax Fund:
- (1) Increase the revenue estimate from the State of California to the Department of Transportation in the amount of \$750,000;
  - (2) Establish the Street Tree Inventory and Management Plan appropriation to the Department of Transportation in the amount of \$750,000;
  - (3) Increase the Urban Forest Partnership appropriation to the Department of Transportation in the amount of \$10,000; and
  - (4) Increase the Beginning Fund Balance by \$10,000.

CEQA: Exempt, File No. PP13-073, CEQA Guidelines Section 15304(b), Minor Alterations to Land. (Transportation/City Manager)

**Resolution No. 78330 adopted.**

**Ordinance No. 29989 adopted.**

### 2.17 Actions Related to the East San José Multimodal Transportation Improvement Plan.

**Recommendation:**

- (a) Adopt a resolution authorizing the City Manager or designee to:
- (1) Execute a grant agreement with the California Department of Transportation, Division of Transportation Planning, based on the previously awarded State Highway Account – Sustainable Communities grant for the development of the East San José Multimodal Transportation Improvement Plan (ESJ MTIP) in the amount not to exceed \$467,438 with a local match not to exceed \$60,562 for the completion of the ESJ MTIP;
  - (2) Certify that the City of San José has funds under the jurisdiction of the City of San José that are available to begin the project, that the City of San José has or will have sufficient funds to operate and maintain the project, and that the City of San José will expend grant funds prior to February 28, 2020; and
  - (3) Conduct all negotiations, execute and submit all documents including, but not limited to, applications, agreements, amendments, payment requests and so on, which may be necessary for the completion of the aforementioned project.

**Resolution No. 78331 adopted.**

*(Item continued on the next page)*

## 2. CONSENT CALENDAR

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### 2.17 Actions Related to the East San José Multimodal Transportation Improvement Plan. (Cont'd.)

**Recommendation:**

- (b) Adopt the following Fiscal Year 2017-2018 Funding Sources Resolution and Appropriation Ordinance amendments in the Construction Excise Tax Fund:
- (1) Increase the revenue estimate from the State of California to the Department of Transportation in the amount of \$467,438;
  - (2) Establish the East San José Multimodal Transportation Improvement Plan (ESJ MTIP) to the Department of Transportation in the amount of \$528,000; and
  - (3) Decrease the Transportation Grants Reserve to the Department of Transportation in the amount of \$60,562.

CEQA: Not a Project, File No. PP10-067(b), Non-Project Specific Funding Mechanism, Appropriation Ordinance. Council Districts 3, 4 & 5. (Transportation/City Manager)

**Resolution No. 78332 adopted.**

**Ordinance No. 29986 adopted.**

### 2.18 Settlement of Paulino v. City of San José.

**Recommendation:** Approve a settlement in the amount of \$700,000, inclusive of attorney fees, and authorize the City Attorney to negotiate and execute a Settlement Agreement to settle the case of Paulino v. City of San José. CEQA: Not a Project; File No. PP10-066(h), Settlement Agreements. (City Attorney)

**Approved.**

### 2.19 Continuation of the Proclamation of the Existence of a Local Emergency.

**Recommendation:** Adopt a resolution continuing the proclamation of the existence of a local emergency as a result of flooding. CEQA: Statutory Exempt, Section 15269, Emergency Projects, Specific actions necessary to prevent or mitigate an emergency. (City Manager)

**Resolution No. 78333 adopted.**

### 2.20 District 4 Dumpster Day.

**Recommendation:** As recommended by the Rules and Open Government Committee on August 23, 2017:

- (a) Retroactively approve District 4 Dumpster Day scheduled on June 24, 2017 as a City Council sponsored Special Event and approve the expenditure of funds.
- (b) Retroactively approve and accept donations from various individuals, businesses or community groups to support these events.

CEQA: Not a Project, File No. PP15-077, Temporary Special Events. (Diep)

[Rules Committee referral 8/23/17 – Item G.1.a.]

**Approved.**

## 2. CONSENT CALENDAR

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### 2.21 Viva Parks – Meadowfair Park.

**Recommendation:** As recommended by the Rules and Open Government Committee on August 23, 2017:

- (a) Retroactively approve the Viva Parks - Meadowfair Park held on August 16, 2017 as a City Council sponsored Special Event and approve the expenditure of funds.
- (b) Retroactively approve and accept donations from various individuals, businesses or community groups to support these events.

CEQA: Not a Project, File No. PP15-077, Temporary Special Events. (Arenas)  
[Rules Committee referral 8/23/17 – Item G.1.b.]

**Approved.**

### END OF CONSENT CALENDAR

- **The Meeting of the City Council was recessed at 1:51 p.m., and the Successor Agency to the Redevelopment Agency of the City of San José – Consent Calendar, was Convened. The Meeting of the City Council reconvened at 1:52 p.m.**

## 3. STRATEGIC SUPPORT

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### 3.1 Report of the City Manager, Norberto Dueñas (Verbal Report).

City Manager Norberto Dueñas announced the deployment of members of San José's California Urban Search and Rescue Task Force to provide water search and rescue assistance for flood victims as the result of Hurricane Harvey and offered success in their efforts and support to the people of Texas and Louisiana.

### 3.2 Labor Negotiations Update.

**Recommendation:** Accept Labor Negotiations Update.  
**None provided.**

### 3.3 Statement of Policy and Questions for the Prospective Director of Community Energy.

**Recommendation:** Adopt a Statement of Policy and City Council Questions related to the selection of a prospective Director of Community Energy as described in the memorandum to Council, in compliance with City Charter Section 411.1. CEQA: Not a Project, File No. PP10-069, City Organizational & Administrative Activities. (City Manager)

*(Item continued on the next page)*

### 3. STRATEGIC SUPPORT

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#### 3.3 Statement of Policy and Questions for the Prospective Director of Community Energy (Cont'd.)

Approved with additional questions by Councilmember Johnny Khamis: What is your plan in maintaining good communication with residents and customers? How can this candidate make sure they are adhering to Council commitment to low cost plans and rates? Given the fast changing nature of energy markets, how do you make sure you and your team will keep apprised of the latest programs, information and methods to procure energy?

And with questions added by Councilmember Sylvia Arenas: Describe your long term plan for dealing with disadvantaged communities that may benefit from local clean energy investments? As a follow-up to question #5: In what ways do you see yourself and/or the community energy department developing opportunities to accelerate the clean energy adoption? And lastly, supplementing question #8: How can CED clean energy environmental plans to densify housing bring improvements to public transportation?

### 4. COMMUNITY & ECONOMIC DEVELOPMENT

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#### 4.1 Update on Homelessness Response Initiatives.

*Note: Not Heard Before 4:00 p.m. Heard Jointly with Item 4.2*

**Recommendation:**

- (a) Accept the report on City homelessness response initiatives and discuss ongoing efforts to create a range of interventions and solutions for homeless individuals and families.

[Neighborhood Services and Education Committee referral 6/8/17 – Item (d)(5)]

**Accepted.**

- (b) Accept the report to:
  - (1) Provide the current number, type, and location of temporary and permanent homes for formerly homeless residents in San José, as well as other deed-restricted affordable housing; and
  - (2) Temporarily pause implementation of the City's current Dispersion Policy applying to individual residential developments, pending update of the Dispersion Policy to align with the General Plan and with Federal and State guidance on fair housing.

[Community and Economic Development Committee referral 6/26/17– Item (d)(2)]

CEQA: Not a Project, File No. PP10-069(a), City Organizational & Administrative Activities, Staff reports that involve no approvals of any City Actions. (Housing)  
(Deferred from 8/8/17 – Item 4.8)

## **4. COMMUNITY & ECONOMIC DEVELOPMENT**

### **4.1 Update on Homelessness Response Initiatives (Cont'd.)**

Accepted, including Item #1 from Councilmember Raul Perez's memorandum dated August 29, 2017, directing staff to return to Council with a plan for piloting safe parking programs and sanctioned encampments. And per Staff's supplemental memorandum dated August 28, 2017 to address both the short-term and long-term service and housing needs of the homeless population, with a study session to be held in October 2017 to provide an update on the Community Plan to End Homelessness and the variety of interventions and solutions being developed and deployed to address this issue.

(8-3. Noes: Diep, Khamis; Liccardo.)

### **4.2 Actions Related to the AB2176: Bridge Housing Communities.**

*Note: Not Heard Before 4:00 p.m. Heard Jointly with Item 4.1*

#### **Recommendation:**

- (a) Accept the staff report on a status update of the implementation of AB2176: Bridge Housing Communities (BHC).

**Accepted.**

- (b) Adopt a resolution approving the staff recommendation on the revised siting criteria for BHCs and reducing the number of BHCs from ten sites to a maximum of two locations.

CEQA: Not a Project, File No. PP10-069(a), City Organizational & Administrative Activities, Staff Report. (Housing)

**Resolution No. 78334 adopted, including Item #1 as outlined in the memorandum from Mayor Sam Liccardo, Vice Mayor Magdalena Carrasco and Councilmembers Jones, Perez and Arenas, dated August 25, 2017, to maintain the original Council direction of identifying potential sites for siting a Bridge Housing Community in each Council district; and Item #6 to Slightly revise the original evaluation criteria for potential sites to the following:**

- a. Access to transit or commitment from another agency to provide transportation;
- b. Ready access to utilities (electricity, water and sanitary sewer);
- c. A vacant or minimally developed site of at least 0.50 acres or a 10,000 square-foot building plus parking for 16 vehicles and a dumpster enclosure.

**And including Item #2 as outlined in the memorandum from Mayor Sam Liccardo, Vice Mayor Magdalena Carrasco and Councilmembers Jones, Perez and Arenas, to expand the potential inventory of sites for consideration, direct the City Manager to renew requests to other public agencies—specifically the County, Santa Clara Valley Water District, Valley Transportation Authority, and Caltrans—to identify**

*(Item continued on the next page)*

## **4. COMMUNITY & ECONOMIC DEVELOPMENT**

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### **4.2 Actions Related to the AB2176: Bridge Housing Communities (Cont'd.)**

**underutilized lands in their inventories for potential use. Engage Council offices in those requests where specific sites appear promising.**

**Also, as identified in Councilmember Raul Peralez' memorandum dated August 29, 2017: Request that the Housing Department continue to coordinate with the District 3 Office and Destination: Home in planning next steps for the development of a Homeless Task Force. Also including authorization for the City Council to sign a letter to public agencies supporting the project.**

**(9-2. Noes: Khamis, Rocha.)**

### **4.3 Report on the Implementation of the Urban Village Component of the Envision San José 2040 General Plan.**

**Recommendation:** Accept the progress report on the implementation of the Urban Village component of the Envision San José 2040 General Plan, and provide comments on the proposed approach for implementation. CEQA: Not a Project, File No. PP10-069(a), City Organizational & Administrative Activities, Staff Report. (Economic Development/Planning, Building and Code Enforcement)

**(Deferred from 5/23/17 – Item 4.1 and 6/6/17 – Item 4.1)**

**Deferred to 11/14/17 per Orders of the Day.**

### **4.4 Public Hearing on the Vacation of a Portion of Old West Julian Street between North Autumn Street and Autumn Parkway.**

**Recommendation:** Conduct a Public Hearing and adopt a resolution:

- (a) Approving the report of the Director of Public Works setting forth the facts justifying the conditional vacation of a portion of Old West Julian Street between North Autumn Street and Autumn Parkway (“Subject Portion”) with the reservation of public service easements (“PSEs”) over the entire area being conditionally vacated;
- (b) Conditionally vacating the Subject Portion, which, after the satisfaction of the conditions, will be unnecessary for present or prospective public use with the reservation of PSEs; and
- (c) After satisfaction of the conditions, directing the City Clerk to record a certified copy of the resolution of vacation with the Office of the Recorder, County of Santa Clara.

CEQA: Exempt, File No. PP17-032, CEQA Guidelines Section 15305, Minor Alterations in Land Use Limitation. Council District 3. (Public Works)

**Public hearing held.**

**Resolution No. 78335 adopted.**

## 4. COMMUNITY & ECONOMIC DEVELOPMENT

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### 4.5 Purchase and Sale Agreement with Del Grande Properties for Real Property Located at Almaden Blvd. and Carlisle St.

*Note: Renumbered from Item 2.10*

**Recommendation:** Adopt a resolution:

- (a) Approving the use of a Purchase and Sale Agreement between the City and Del Grande Properties for the sale of the City's 6,708 square feet of vacant surplus land at the corner of Almaden Blvd. and Carlisle St., Assessor's Parcel Number 259-35-029, in the amount of \$1,341,600; and
- (b) Authorizing the City Manager or his designee to negotiate and execute the Purchase and Sale Agreement, the deed, all other documents necessary to complete the transaction, and any amendments or modifications.  
CEQA: Not a Project, File No. PP10-066, Agreements & Contracts. Council District 3.

**Resolution No. 78336 adopted.**

## 5. NEIGHBORHOOD SERVICES

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## 6. TRANSPORTATION & AVIATION SERVICES

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## 7. ENVIRONMENTAL & UTILITY SERVICES

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### 7.1 Actions Related to San José Energy.

**Recommendation:**

- (a) Pursuant to California Public Utilities Code Section 366.2, conduct a duly noticed public hearing to approve a resolution adopting the San José Clean Energy Implementation Plan and Statement of Intent and direct staff to submit this document to the California Public Utilities Commission following the effective date of the Ordinance;

**Public hearing held.**

**Resolution No. 78337 adopted.**

- (b) Approve an ordinance amending Chapter 4.80 of Title 4 of the San José Municipal Code to add a new Part 63 to establish the San José Clean Energy Operating Fund;

**Ordinance No. 29987 passed for publication.**

*(Item continued on the next page)*

## 7. ENVIRONMENTAL & UTILITY SERVICES

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### 7.1 Actions Related to San José Energy. (Cont'd.)

#### Recommendation:

- (c) Approve the Appropriation Ordinance and Funding Sources Resolution amendments in the San José Clean Energy Operating Fund to be effective on the date on which the ordinance establishing the San José Clean Energy Operating Fund becomes effective:
- (1) Establish an estimate for Financing Proceeds in the amount of \$5,376,000.
  - (2) Establish a Debt Service appropriation to the Finance Department in the amount of \$250,000.
  - (3) Establish a Personal Services appropriation to the Community Energy Department in the amount of \$1,169,000.
  - (4) Establish a Personal Services appropriation to the City Attorney's Office in the amount of \$444,000.
  - (5) Establish a Personal Services appropriation to the Environmental Services Department in the amount of \$40,000.
  - (6) Establish a Non-Personal/Equipment appropriation to the Community Energy Department in the amount of \$2,558,000
  - (7) Establish a Bonding and Security (CPUC) appropriation in the amount of \$100,000.
  - (8) Establish a Pacific Gas & Electric Security Deposit appropriation in the amount of \$315,000.
  - (9) Establish an Operations and Maintenance Reserve in the amount of \$500,000.

**Ordinance No. 29988 adopted.**

**Resolution No. 78338 adopted.**

- (d) Approve the San José Clean Energy staffing plan, including the addition of the following positions for FY17-18:

- (1) Community Energy Department:

Job Classification	FTE
Director of Community Energy, Unclassified	1.0
Public Information Manager	1.0
Senior Office Specialist	1.0
Public Information Representative II	1.0
Staff Technician	1.0
Senior Analyst	1.0
<b>Total Positions</b>	<b>6.0</b>

*(Item continued on the next page)*



## 7. ENVIRONMENTAL & UTILITY SERVICES

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### 7.1 Actions Related to San José Energy. (Cont'd.)

**Recommendation:**

- (d) (2) City Attorney's Office:

Job Classification	FTE
Senior Deputy City Attorney IV	1.0
Legal Analyst II	1.0
<b>Total Positions</b>	<b>2.0</b>

**Approved.**

- (e) Approve the Community Advisory Committee (CAC) framework;

**Approved.**

- (f) Approve the amendment to the Frontier Energy, Inc. dba Bevilacqua-Knight, Inc. master agreement for a maximum compensation of \$405,000.

CEQA: Not a Project, File No. PP10-069, City Organizational & Administrative Activities and File No. PP10-067, Non-Project Specific Funding Mechanism. (City Manager)

**Approved.**

*Note: Heard Jointly with the Joint City of San José City Council /  
Financing Authority Agenda*

## 8. PUBLIC SAFETY

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## 9. REDEVELOPMENT – SUCCESSOR AGENCY

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- *The Redevelopment – Successor Agency Consent Calendar was heard immediately following the City Council Consent Calendar*

### 9.1 Consent Calendar.

#### (a) Actions Related to the Transfer and Sale of Real Property Located Adjacent to Old Julian Street.

##### **Recommendation:**

- (a) Adopt a resolution by the City Council:
  - (1) Declaring 670 square feet of property adjacent to Old Julian Street, surplus to the needs of the City;
  - (2) Approving the Purchase and Sale Agreement between the City of San José, the Successor Agency to the Redevelopment Agency of the City of San José and Michael G. Akatiff and Christy D. Akatiff, Trustee of the Michael G Akatiff and Christy D. Akatiff Revocable Trust (Buyer) in an amount not-to-exceed of \$33,500 for the purchase by Buyer of approximately 670 square feet of property adjacent to Old Julian Street between North Autumn Street and Autumn Parkway; and
  - (3) Authorizing the City Manager or his designee to execute the sale agreement, the quitclaim deeds and all other documents necessary to complete the transaction.

##### **Resolution No. 78339 adopted.**

- (b) Adopt a resolution by the Successor Agency:
  - (1) Approving the Purchase and Sale Agreement between the City of San José, the Successor Agency to the Redevelopment Agency of the City of San José and Michael G. Akatiff and Christy D. Akatiff, Trustee of the Michael G Akatiff and Christy D. Akatiff Revocable Trust (Buyer) in an amount not-to-exceed of \$33,500 for the purchase by Buyer of approximately 670 square feet of property adjacent to Old Julian Street between North Autumn Street and Autumn Parkway; and
  - (2) Authorizing the Managing Director or his designee to execute the sale agreement and all other documents necessary to complete the transaction.

CEQA: Not a Project, File No. PP10-066, Agreements & Contracts. Council District 3. (Economic Development/Successor Agency)

##### **Successor Agency Resolution No. 7066 adopted.**

*(Item continued on the next page)*

## 9. REDEVELOPMENT – SUCCESSOR AGENCY

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### 9.1 Consent Calendar. (Cont'd.)

#### (b) Actions Related to the Sale of Real Property on A Portion of Old Julian Street.

**Recommendation:** Adopt a resolution by the City Council:

- (a) Declaring 12,748 square feet of vacated street on Old Julian Street, surplus to the needs of the City;
- (b) Authorizing the City Manager or his designee to negotiate and execute a Purchase and Sale Agreement with Michael G. Akatiff and Christy D. Akatiff, Trustee of the Michael G Akatiff and Christy D. Akatiff Revocable Trust (Akatiff) in an amount not-to-exceed of \$318,700 for the purchase of approximately 12,748 square feet of vacated City-owned property on a portion of Old Julian Street between North Autumn Street and Autumn Parkway; and
- (c) Authorizing the City Manager or his designee to execute the sale agreement, the quitclaim deed and all other documents necessary to complete the transaction.

CEQA: Exempt, File No. PP17-032, CEQA Guidelines Section 15305, Minor Alterations in Land Use Limitation. Subsequent sale agreements that would not result in a physical change to the environment. Council District 3. (Economic Development/Successor Agency)

**Resolution No. 78340 adopted.**

#### (c) Actions Related to the Private Property Located within Autumn Parkway and Private Property Located within Julian Street Right of Way.

**Recommendation:** Adopt a resolution by the City Council:

- (a) Accepting 868 square feet of property located within the new Autumn Parkway that is being transferred from Michael G. Akatiff and Christy D. Akatiff, Trustee of the Michael G Akatiff and Christy D. Akatiff Revocable Trust (Akatiff) for no fee;
- (b) Accepting 9,205 square feet of property located within the right of way on Julian Street being transferred from Michael G. Akatiff and Christy D. Akatiff, Trustee of the Michael G Akatiff and Christy D. Akatiff Revocable Trust (Akatiff) for no fee; and
- (c) Authorizing the City Manager or his designee to accept the quitclaim deeds and all other documents necessary to complete the transaction.

CEQA: Not a Project, File No. PP10-066, Agreements & Contracts. Council District 3. (Economic Development/Successor Agency)

**Resolution No. 78341 adopted.**

- ***The Meeting of the Successor Agency to the Redevelopment Agency of the City of San José was Adjourned, and the Meeting of the City Council was Reconvened.***

## 10. LAND USE

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### 10.1 Open General Plan Hearing.

### 10.2 North San José: Amendments to the Envision San José 2040 General Plan Text, North San José Area Development Policy, and Zoning Ordinance. *DROP*

#### **Recommendation:**

- (a) Consider the Determination of Consistency with the Final Program Environmental Impact Report for the North San José Development Policies Update (Resolution No. 72768) and Addenda thereto, and the Final Program Environmental Impact Report for the Envision San José 2040 General Plan (Resolution No. 76041), the Supplemental Environmental Impact Report for the Envision San José 2040 General Plan Final Program EIR (Resolution 77617), and the November 1, 2016 Addendum thereto, in conformance with CEQA.
- (b) Adopt a resolution approving:
  - (1) A General Plan Text Amendment to revise the Industrial Park and Transit Employment Center land use designations to allow additional flexibility for retail uses consistent with area plans and area policies; and
  - (2) Amendments to the North San José Area Development Policy to allow additional flexibility for local serving commercial uses that meet specified criteria.
- (c) Approve an ordinance amending Sections 20.50.100 and 20.50.110 of the San José Municipal Code relating to commercial support uses in the North San José Area Development Policy area.

CEQA: Pursuant to Section 15168(c) of the CEQA Guidelines, Determination of Consistency that the proposed project is within the scope of the Final Program EIR for the North San José Development Policies Update, Resolution No. 72768 and Addenda thereto, and the Envision San José 2040 General Plan EIR, Resolution No. 76041 and the Supplemental EIR to Envision San José General Plan EIR, Resolution No. 77617 and Addenda thereto. (Planning, Building and Code Enforcement)

**GPT17-007 & PP17-051** – Council District 3 and 4

**Dropped – to be Renoticed.**

### 10.3 Continue General Plan Hearing to September 26, 2017.

### 10.4 Disposition and Development Agreement, Lease Amendment, and Related Site Development Permit, Special Use Permit, and Vesting Tentative Map Located on the Northwest Corner of West San Carlos Street and South Market Street at 180 Park Avenue.

#### **Recommendation:**

- (a) Adopt a resolution certifying the Museum Place Mixed-Use Project Supplemental Environmental Impact Report and making certain findings concerning significant impacts, mitigation measures, alternatives, and adopting a statement of overriding considerations and mitigation monitoring and reporting program, all in accordance with the California Environmental Quality Act, as amended.

**Resolution No. 78342 adopted.** *(Item Continued on the Next Page)*

## 10. LAND USE

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### 10.4 Disposition and Development Agreement, Lease Amendment, and Related Site Development Permit, Special Use Permit, and Vesting Tentative Map Located on the Northwest Corner of West San Carlos Street and South Market Street at 180 Park Avenue. (Cont'd.)

#### **Recommendation:**

(b) Adopt a resolution:

- (1) Approving the Disposition and Development Agreement with Insight King Wah LLC for the development of a mixed-use office, hotel, residential, Tech Museum expansion, and garage project;
- (2) Authorizing the City Manager to negotiate and execute all documents related to the transfer of the City property to Insight King Wah LLC for the mixed-use project; and
- (3) Authorizing the City Manager to negotiate and execute a Lease Amendment with the Tech Museum of Innovation for the construction and operation of the expansion space for the Tech Museum.

#### **Resolution No. 78343 adopted.**

- (c) Adopt a resolution approving Vesting Tentative Map No. T16-024, subject to conditions, to consolidate 25 parcels into three parcels, and to subdivide one parcel into a mixed-use project consisting of approximately 306 residential condominium units and 244 commercial condominium units and the remaining two parcels will consist of the existing Tech Museum and Civic Auditorium, on an approximately 2.5 gross acre site, located on the northwest corner of West San Carlos Street and South Market Street (180 Park Avenue) (City of San José, Owner).

#### **Resolution No. 78344 adopted.**

- (d) Adopt a resolution approving Site Development Permit and Special Use Permit No. SP17-031, subject to conditions, to allow the demolition of Parkside Hall and construction of a 24 story mixed-use development with approximately 19,000 square feet of ground floor retail, approximately 214,000 square feet of office, approximately 60,000 square feet of museum space, 184 hotel rooms, and 306 residential units, and the removal of 20 ordinance-sized trees.

CEQA: Supplemental Environmental Impact Report for the Museum Place Mixed-Use Project to the “The Downtown Strategy 2000 Final Program Environmental Impact Report,” adopted by City Council Resolution No. 72767 on June 21, 2005; “Envision San José 2040 General Plan Final Program Environmental Impact Report,” adopted by City Council Resolution No. 76041 on November 1, 2011; and “Supplemental Environmental Impact Report to the Envision San José 2040 General Plan Final Program Environmental Impact Report,” adopted by City Council Resolution No. 77617 on December 15, 2015, and the November 1, 2016 Addendum thereto. Planning Commission recommends

*(Item continued on the next page)*

## 10. LAND USE

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### 10.4 Disposition and Development Agreement, Lease Amendment, and Related Site Development Permit, Special Use Permit, and Vesting Tentative Map Located on the Northwest Corner of West San Carlos Street and South Market Street at 180 Park Avenue. (Cont'd.)

- (d) approval (5-0-2; Ballard & Vora absent). (Planning, Building and Code Enforcement) **SP17-031 & T16-024** – Council District 3

(Deferred from 8/8/17 – Item 10.9) (Continued from 8/22/17 – Item 10.3)

**Resolution No. 78345 adopted.**

**Approved, including the joint memorandum from Mayor Sam Liccardo, Vice Mayor Magdalena Carrasco, and Councilmembers Raul Peralez and Johnny Khamis, dated August 25, 2017, to include recommendations outlined in the July 31, 2017 and August 18, 2017 staff reports in connection with various approvals on the proposed Museum Place mixed-use development, with the following direction to the City Manager to return to Council no later than March 2018 with a progress report on: (1) The roofline design prior to any Permit Adjustment approval; (2) Details of the improvement plan that mitigates shadow and shade impacts; (3) An alternative proposal in the event the City is unable to obtain fee title to a portion of Almaden Avenue that is currently owned by the Successor Agency of the Redevelopment Agency; (4) A more definitive parking plan with clarity regarding proposed valet services and mechanical lift devices; (5) Preliminary assessment of implementation of a Community Facilities District to fund The Tech expansion, offsite improvements and other costs, and any risks associated with the City issuing bonds; (6) The schedule of performance and assessment of satisfaction of milestones set for construction; (7) The Tech's plans to fund improvements to activate the proposed expansion space. With additional direction given for the City Manager to: (8) Require planning review and approval of any re-allocation of square footage for any reduction in hotel, retail or office space; (9) Require a progress report on the financing for Phase 2 within 6-months of the Effective Date of this agreement, or no later than May 30, 2018; (10) Provide applicant with a reasonable degree of certainty regarding all fees, such as by setting a fixed fee for *quality* public art installation at \$250,000, rather than "at least \$250,000"; (11) Obtain copies of the written agreements with the unions that the staff report references within 60 days; (12) Require the "No Build/Structure" and pedestrian access restriction on the 40 foot easement area of Almaden Avenue (which the City will retain public access rights to) be included on the Tentative Map; (13) Take all necessary measures to preserve the public use and operations of The Tech and the Civic Auditorium during construction of the project.**

The information requested by Council (items 1 through 7) may be provided in the form of an informational memo from staff. Items 8-13 involve changes to the DDA, with Council approving the addendum pursuant to the developer agreeing to those items. Also, referencing the Schedule in Attachment 4 of the DDA, in addition to the day, firm dates should be identified.

- Open Forum - *None provided.*
- Adjournment

**The Council of the City of San José adjourned at 10:11 p.m.**

**JOINT CITY OF SAN JOSE CITY COUNCIL/  
FINANCING AUTHORITY AGENDA**

**1:30 P.M.**

**TUESDAY, AUGUST 29, 2017**

**CHAMBERS**

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**TO BE HEARD WITH ITEM 7.1**

- 1. Call to Order and Roll Call**
- 2. Actions Related to the City of San José Financing Authority's Commercial Paper Program to Finance San José Clean Energy.**

**Recommendation:**

- (a) City Council adopt a resolution approving the Fifth Supplement to the Amended and Restated Trust Agreement and authorizing other related actions relating to the City of San José Financing Authority's Lease Revenue Commercial Paper Notes Program in order to allow the issuance of Commercial Paper Notes to finance start-up costs relating to San José Clean Energy in an amount not to exceed \$10 million.

**Resolution No. 78346 adopted.**

- (b) City of San José Financing Authority Board adopt a resolution approving and authorizing the execution and delivery of the Fifth Supplement to the Amended and Restated Trust Agreement and authorizing other related actions relating to the City of San José Financing Authority's Lease Revenue Commercial Paper Notes Program in order to allow the issuance of Commercial Paper Notes to finance start-up costs relating to San José Clean Energy in an amount not to exceed \$10 million.

CEQA: Not a Project, File No. PP10-069, City Organizational & Administrative Activities. (Finance)

**Financing Authority Board Resolution No. SJFA 137 Adopted.**

*Please note: Approval of this item requires 8 or more affirmative votes (2/3).*

**The Joint City Council/San José Financing Authority Meeting was Adjourned.**